

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

ANDERSON NEWS, L.L.C. and LLOYD WHITAKER,
as the Assignee under an Assignment for the Benefit of
Creditors for Anderson Services, L.L.C.,

Plaintiffs,

- against -

AMERICAN MEDIA, INC., BAUER PUBLISHING
CO., L.P., CURTIS CIRCULATION COMPANY,
DISTRIBUTION SERVICES, INC., HACHETTE
FILIPACCHI MEDIA U.S., INC., HEARST
COMMUNICATIONS, INC., HUDSON NEWS
DISTRIBUTORS LLC, KABLE DISTRIBUTION
SERVICES, INC., RODALE, INC., TIME INC., and
TIME/WARNER RETAIL SALES & MARKETING,
INC.,

Defendants.

AMERICAN MEDIA, INC. HEARST
COMMUNICATIONS, INC., and TIME INC.,

Counterclaim-Plaintiffs,

- against -

ANDERSON NEWS, L.L.C. and CHARLES
ANDERSON, JR.,

Counterclaim-Defendants.

09 Civ. 2227 (PAC)

**DECLARATION OF
GUHAN SUBRAMANIAN**

GUHAN SUBRAMANIAN, pursuant to 28 U.S.C. § 1746, declares as follows:

1. I am the H. Douglas Weaver Professor of Business of Law at the Harvard Business School (“HBS”), and the Joseph Flom Professor of Law and Business at the Harvard Law School (“HLS”). I have taught at HBS and/or HLS continuously since 1999. I serve as the faculty chair for the JD/MBA program at Harvard University and the

Vice-Chair for Research at the Program on Negotiation at Harvard Law School. I hold degrees in Economics, Law, and Business from Harvard University. I am a member of the New York bar.

2. Information about my professional experience, including research, affiliations and publications, can be found in my Curriculum Vitae, as well as in paragraphs 1-4 of my April 16, 2014 expert report (the “April 16 Report”) in this case (a copy of which is attached as Exhibit __ to the Declaration of Kevin A. Cyrulnik, dated March 9, 2015).

3. At both HBS and HLS, I specialize in the field of complex business negotiations. Over the past fifteen years, I have taught courses on this topic, among other things, at HLS and HBS. This teaching experience includes a four-hour executive education session entitled “Dealing With Their Hardest Question,” which I teach twice a year to senior business executives.

4. Negotiations is a field of scholarly study and teaching at virtually all top business schools (and increasingly, at law schools and schools of public policy). HBS, for example, has eight full-time faculty who specialize in the field of business negotiations, and more than 100 HBS faculty list negotiations as an area of research interest. Faculty at other prominent business schools also list negotiations as a field of expertise or area of research interest. *See, e.g.,* Columbia Business School (7 faculty members); Yale School of Management (3 faculty members); Stanford Graduate School of Business Administration (12 faculty members).

5. Approximately 600 Harvard MBA students take courses on negotiations each year. Likewise, hundreds of senior executives from major companies enroll in

numerous negotiation executive education courses at HBS, such as *Strategic Negotiations*, *Changing the Game*, and *Negotiation & Leadership*. Through these and other programs, I have personally taught more than 15,000 Harvard students and senior executives how to be better negotiators.

6. This level of scholarly activity and practitioner interest reflects the fact that there is a deep body of knowledge, developed over the past fifty years, on the topic of business negotiations. In fact, Harvard alone publishes two journals dedicated to negotiations research -- the *Negotiation Journal* and the *Harvard Negotiation Law Review*.

7. Indeed, as set forth in my expert report in this case, certain principles and insights applicable to the field of negotiations can be divined from the work of (among others) Professors Ronald Coase, Jonathan Nash, and Thomas Schelling, all of whom have won Nobel Prizes. (See April 16 Report ¶¶ 28, 34-37, n.5.)

8. Business negotiations is an important subfield of the overall field of negotiations. This subfield typically involves complex transactions. As I explain in the Introduction to my *Dealmaking* book:

This book is not meant to be a comprehensive guide on how to negotiate everything – in part because I believe there is no one-size-fits-all approach to negotiations. The tools that are most effective for negotiating with your spouse are not the same as the tools that are effective in negotiating with your colleague at work, which are not the same as the tools that are effective in negotiating with a supplier or customer. Rather than offering a universal approach, this book focuses on complex business deals.¹

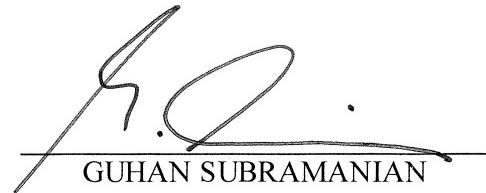
¹ Subramanian, *Dealmaking* at xvii.

9. Unlike everyday negotiations, business negotiations typically involve sophisticated business persons, multiple parties, and prior and ongoing relationships. Indeed, as set forth in my April 16 Report, discussions concerning Anderson's proposal were particularly complex. Those discussions involved several issues (the per-copy distribution fee and the scan-based trading inventory shift); multiple parties; agents communicating on behalf of certain parties (national distributors representing their publisher clients); experienced business people who had decades of past history working together; and parties who had engaged in prior negotiations.

10. By contrast, the "complex" negotiations experienced by typical laypeople (buying a house or car) involve fewer -- and in most instances, simpler -- issues. Home and car negotiations are primarily about price; are primarily two-party negotiations (buyer/seller); and are one-off transactions, *i.e.*, where a future relationship is non-existent (house-buying) or at least not typically a significant aspect of the negotiation (car-buying). In fact, when buying a house, laypeople often rely on experts in the field, *i.e.*, real-estate brokers, to assist them with their negotiations.

Pursuant to the authority of 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: Newton, Massachusetts
March 9, 2015



The image shows a handwritten signature in black ink, which appears to be "G.S." followed by a stylized surname. Below the signature is a horizontal line, and underneath the line, the name "GUHAN SUBRAMANIAN" is printed in a standard, sans-serif font.